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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

IN RE:	§	
	§	CASE NO. 15-41607
CONTINENTAL EXPLORATION, LLC	§	
	§	CHAPTER 7
DEBTOR	§	

TRUSTEE'S MOTION TO SELL PROPERTY TO
STEPHENS & JOHNSON OPERATING CO. FREE AND CLEAR OF LIENS

NOW COMES JASON R. SEARCY, CHAPTER 7 TRUSTEE for Continental Exploration, LLC (the "Trustee" and/or "Applicant"), and makes this his Motion to Sell Property to Stephens & Johnson Operating Co.. Free and Clear of Liens, (the "Sale Motion"); and in support thereof respectfully represents as follows:

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YOUR RIGHTS MAY BE AFFECTED BY THE RELIEF SOUGHT IN THIS PLEADING. YOU SHOULD READ THIS PLEADING CAREFULLY AND DISCUSS IT WITH YOUR ATTORNEY, IF YOU HAVE ONE IN THIS BANKRUPTCY CASE. IF YOU OPPOSE THE RELIEF SOUGHT BY THIS PLEADING, YOU MUST FILE A WRITTEN OBJECTION, EXPLAINING THE FACTUAL AND/OR LEGAL BASIS FOR OPPOSING THE RELIEF.

NO HEARING WILL BE CONDUCTED ON THIS PLEADING UNLESS A

WRITTEN OBJECTION IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AND SERVED UPON THE PARTY FILING THIS PLEADING WITHIN TWENTY-ONE (21) DAYS FROM THE DATE OF SERVICE LISTED IN THE CERTIFICATE OF SERVICE UNLESS THE COURT SHORTENS OR EXTENDS THE TIME FOR FILING SUCH RESPONSE. IF NO OBJECTION IS TIMELY SERVED AND FILED, THIS PLEADING SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE PLEADING. IF ANY OBJECTION IS FILED AND SERVED IN A TIMELY MANNER, THE COURT WILL THEREAFTER SET A HEARING WITH APPROPRIATE NOTICE. IF YOU FAIL TO APPEAR AT THE HEARING, YOUR OBJECTION MAY BE STRICKEN. THE COURT RESERVES THE RIGHT TO SET A HEARING ON ANY MATTER.

I.

1.1. The Court has jurisdiction over this proceeding pursuant to 28 U.S.C. § 1334.

This is a core proceeding under 28 U.S.C. § 157. Venue is appropriate under 28 U.S.C. §§ 1409 and 1409.

II.

2.1. On September 2, 2015 an Order for Relief under Chapter 11 of the United States entered against Continental Exploration, LLC (the “Debtor”). On October 26, 2015, a Motion to Appoint a Trustee was filed in this case [Dkt. #74]. On December 30, 2015 an Order Directing the Appointment of a Chapter 11 Trustee was filed [Dkt. #116]; and subsequent thereto, on January 4, 2016, Jason R. Searcy was appointed to serve as the Chapter 11 Trustee [Dkt. #119]. On September 4, 2018, an *Order Granting Motion to Convert to Chapter 7* was entered and Jason R. Searcy is the duly appointed and serving Chapter 7 Bankruptcy Trustee for the above-named Debtor.

III.

3.1. A portion of the Debtor's estate consists of small working interests in a number of oil and gas wells operated by Stephens & Johnson Operating Co. ("S&J"). The wells and interests are located in Pecos County, Texas, and are more fully described in Exhibit A attached hereto to which reference is made (cumulatively referred to hereafter as "Property").

IV.

4.1. The Trustee has been tendered an offer by Escudo to the purchase of such properties which, in effect, is an assumption of any unpaid ad valorem taxes, the release of any unpaid joint interest billings, and payment to the estate of \$20,000. A true and correct copy of the offer is attached hereto as Exhibit B.

4.2. The Trustee desires to accept the Offer and sell the Property to S&J free and clear of all liens, claims and encumbrances. The sale will be in the best interest of the estate.

WHEREFORE PREMISES CONSIDERED, Trustee prays for an Order of this Court approving the sale of the above-described Property to Stephens & Johnson Operating Co. free and clear of liens and for such other and further relief as is just.

Respectfully submitted,

SEARCY & SEARCY, P.C.

/s/ Jason R. Searcy

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ATTORNEYS FOR CHAPTER 7 TRUSTEE

CERTIFICATE OF SERVICE

I, the undersigned, certify that a true and correct copy of the above and foregoing was served by electronic notice on all persons requesting notice under the ECF filing system for the Eastern District of Texas, and by U. S. Mail, postage paid, to each interested party on the attached service list by the service agent, Certificateofservice.com, on or before the 19th day of October, 2018. I further certify that a true and correct copy was served via regular first class mail to the interested party shown below by this law firm.

/s/ Jason R. Searcy

Jason R. Searcy

Stephens & Johnson Operating Co.

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